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*Bankruptcy Counsel for the Debtor*

**IN THE UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK  
POUGHKEEPSIE DIVISION**

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**In re:**

**Chapter 11**

**SPECTRAWATT, INC.,**

**Case No. 11-37366-CGM**

**Debtor.**

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**NOTICE OF AUCTION RESULTS AND AUCTION REPORT**

**PLEASE TAKE NOTICE** that pursuant to the Final Bidding Procedures Order entered by this Court on September 20, 2011 (Doc. No. 65), SpectraWatt, Inc. (the “Debtor”) held an auction for the sale of substantially all of its assets on September 28, 2011 (the “Auction”). The Auction was held at the Debtor’s New York Facility and broadcast on the website of the Sales Agent.<sup>1</sup>

**PLEASE TAKE FURTHER NOTICE** that the Prevailing Bidder at the Auction was Canadian Solar, Inc. (“Canadian Solar”). Canadian Solar submitted the winning bid of \$4,300,000 for the Lot 2 assets, which consists of all tangible assets of the Debtor’s estate,

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<sup>1</sup> Capitalized terms not defined herein are defined in the Final Bidding Procedures Order or in the underlying Motion.

except for the Excluded Assets and certain non-equipment assets that were removed from the Auction at the Debtor's discretion.<sup>2</sup>

**PLEASE TAKE FURTHER NOTICE** that the Backup Bidder is Rusenergoinvest Group ("REI"). REI submitted a bid of \$4,200,000 for the Lot 2 assets (as described above).

**PLEASE TAKE FURTHER NOTICE** that, pursuant to the Final Bidding Procedures Order, the Prevailing Bidder and the Backup Bidder must provide a cash payment, via wire transfer, within forty-eight (48) hours of the Auction equal to twenty-five percent (25%) of their respective bids to the Debtor's counsel trust account.

**PLEASE TAKE FURTHER NOTICE** that the neither the Prevailing Bid or the Backup Bid includes the assumption or assignment of any executory contracts or unexpired leases of the Debtor.

**PLEASE TAKE FURTHER NOTICE** that the Sale Hearing will be conducted at 2:00 p.m. on October 6, 2011 at the United States Bankruptcy Court, 355 Main Street, Poughkeepsie, New York, at which the Debtor intends to present the Prevailing Bid for approval by the Court.

Dated: New York, NY

September 29, 2011.

**KING & SPALDING LLP**

By: /s/ Mark W. Wege

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<sup>2</sup> The Assets removed by the Debtor from the Auction were Lots 43-46, 112-133, 150, 160, 170, 190, 240-242, 259, 260, 265-267, and 500-552. The Debtor removed these assets from the Auction based on a settlement the Debtor reached with its real property lessor, IBM. The settlement with IBM remains subject to this Court's approval and the Debtor will be submitting a motion to approve that settlement.

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